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Tuesday, 13 March 2018

To: The Members of the **Performance and Finance Scrutiny Committee**  
(Councillors: Jonathan Lytle (Chairman), Katia Malcaus Cooper (Vice Chairman),  
David Allen, Nick Chambers, Bill Chapman, Edward Hawkins, Paul Ilnicki,  
David Lewis, Oliver Lewis, Robin Perry, Chris Pitt, Joanne Potter, Wynne Price,  
Darryl Ratiram and Victoria Wheeler)

**In accordance with the Substitute Protocol at Part 4 of the Constitution,  
Members who are unable to attend this meeting should give their apologies and  
arrange for one of the appointed substitutes, as listed below, to attend.  
Members should also inform their group leader of the arrangements made.**

Substitutes: Councillors Dan Adams, Rodney Bates, Ruth Hutchinson, Max Nelson,  
Ian Sams and Valerie White

Dear Councillor,

A meeting of the **Performance and Finance Scrutiny Committee** will be held at Council Chamber, Surrey Heath House, Knoll Road, Camberley, GU15 3HD on **Wednesday, 21 March 2018 at 7.00 pm**. The agenda will be set out as below.

Please note that this meeting will be recorded.

Yours sincerely

Karen Whelan

Chief Executive

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## AGENDA

	Pages
<b>1 Apologies for Absence</b>	
<b>2 Chairman's Announcements</b>	
<b>3 Minutes</b>	<b>3 - 10</b>
To confirm and sign the minutes of the meeting held on 6 December 2017.	
<b>4 Declarations of Interest</b>	
Members are invited to declare any interests they may have with respect	

to matters which are to be considered at the meeting. Members who consider that they may have an interest are invited to consult the Monitoring Officer or Democratic Services Officer prior to the meeting.

**5 Scrutiny of Portfolio Holders - Community Portfolio 11 - 18**

To scrutinise the Community Portfolio, which covers the following areas:

- Emergency Planning and Business Continuity
- Environmental Health
- Health and Wellbeing
- Recycling and Refuse
- Street Cleansing
- Community Services
- Community Safety

**6 Scrutiny of Portfolio Holders - Regulatory Portfolio 19 - 26**

To scrutinise the Regulatory Portfolio, which covers the following areas:

- Drainage
- Land Charges
- Planning Policy & Conservation
- Private Sector Housing Enforcement
- Housing and Homelessness
- Planning Enforcement Policy

**7 Council Finances as at 31 December 2017 27 - 34**

**8 Corporate Risk Register 35 - 40**

**9 Task and Finish Groups**

To consider the establishment of any task and finish working groups.

**10 Work Programme 41 - 44**

**Minutes of a Meeting of the  
Performance and Finance Scrutiny  
Committee held at Council Chamber,  
Surrey Heath House, Knoll Road,  
Camberley, GU15 3HD on 6 December  
2017**

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- Cllr Jonathan Lytle (Chairman)  
+ Cllr Katia Malcaus Cooper (Vice Chairman) (In the chair)
- |                       |                         |
|-----------------------|-------------------------|
| + Cllr David Allen    | + Cllr Robin Perry      |
| Cllr Nick Chambers    | Cllr Chris Pitt         |
| + Cllr Bill Chapman   | - Cllr Joanne Potter    |
| + Cllr Edward Hawkins | + Cllr Wynne Price      |
| - Cllr Paul Inicki    | + Cllr Darryl Ratiram   |
| + Cllr David Lewis    | - Cllr Victoria Wheeler |
| - Cllr Oliver Lewis   |                         |
- + Present  
- Apologies for absence presented

Substitutes: Cllr Rodney Bates and Cllr Max Nelson

In Attendance: Cllr Paul Deach, Cllr Colin Dougan and Cllr Richard Brooks

**20/PF Minutes**

The minutes of the meeting held on 18 October 2017 were confirmed and signed by the Chairman.

**21/PF Scrutiny of Portfolio Holder - Transformation**

Cllr Colin Dougan, the Transformation Portfolio Holder, reminded the Committee of the areas covered by his Portfolio and gave a brief description of each of the following services and functions:

- ICT/Information Governance/Reprographics
- Economic Development
- Community Safety & Community Partnerships
- Performance
- Building Control
- Corporate Property

Cllr Dougan responded to questions relating to:

1. Freedom of Information requests -
  - a) the reason for the increase in the number requests;
  - b) the subject areas of enquiries made;
  - c) how the Council would address the resourcing issues should the increase be maintained; and
  - d) where FOI responses were published.

2. The process used to ensure that the Building Control Service were sufficiently rigorous.
3. The factors which determined the length of the leases to Bowls Clubs.
4. The resourcing impact to the Council of the General Data Protection Regulations and the impact of Brexit on this legislation.
5. The number of new businesses attracted by the Open for Business Scheme and how its success was gauged.
6. The number of new retailers brought into the Square and the London Road Block in the last year which were not restaurants and the number expected in the new year.
7. The number of businesses given grants from the Kevin Cantlon Fund.
8. The public consultations which had or would be undertaken to ensure that the public agreed with the Council's self-evaluated reviews.

In a supplementary question Cllr David Allan enquired as to whether it was possible to see all FOI requests received and the responses and Councillor Colin Dougan undertook to respond by email.

(Note: in accordance with the Council's Members' Code of Conduct Cllr Katia Malcaus Cooper declared a non pecuniary interest as the Chairman of the Briars Centre Management Committee.)

## **22/PF Scrutiny of Portfolio Holder - Finance**

Cllr Richard Brooks, the Finance Portfolio Holder, reminded the Committee of the areas covered by his Portfolio and gave a brief description of each of the following services and functions:

- Audit
- Corporate Enforcement
- Finance
- Legal Services
- Procurement
- Revenues and Benefits

Cllr Brooks responded to questions relating to:

1. The impact of the Public Space Protection Orders on the homeless within the Borough and how it made Surrey Heath residents more safe in general terms.
2. The additional expenditure relating to corporate enforcement.

3. The overall Legal Services budget, the number of FTEs and the timing of any service review under the Transformation process.
4. The areas where Surrey County Council had reduced their funding and how it would impact on the Council's service to Borough residents over the next two years.
5. The impact on the Council of the changes announced by the Chancellor in his November Autumn Statement.
6. The number of Borough residents who had, in the last 12 months, received:
  - Attachment of earnings
  - Liability Orders
  - Collection Agents
  - Winding Up Orders
7. The ways in which the Council publicised successful prosecutions for waste related offences.

In relation to the employment of collection agents, Cllr Rodney Bates referred to an initiative by Hammersmith and Fulham London Borough Council to no longer employ bailiffs to collect on debts. The Committee agreed that the success of this initiative should be monitored.

Cllr Bill Chapman asked for a list of waste related prosecutions, outcomes and dates which Cllr Brooks agreed to supply by email.

Cllr Paul Deach asked that a more proactive approach be taken to identify the owners committing dog fouling offences and that more resources be employed to prosecute offenders. Cllr Richard Brooks indicated that he considered that educating dog owners was crucial to reducing the problem but that he would ask officers to explore options for further action. This would include looking at best practice from other local authorities and any suggestions received from councillors.

## **23/PF Review of Reserves and Provisions**

The Executive considered a report detailing the Council's Reserves and Provisions. At 31 March 2017 the Council had £21.35m in useable reserves which were backed by cash. The report also made an estimate as to the level of reserves as at 31 March 2018 based on current knowledge, together with schedules showing what each reserve was for and the rules regarding expenditure.

Members discussed the Affordable Housing Fund and were advised that no schemes had yet been identified which met the criteria of the fund.

In relation to the Old Dean Toddlers Playground Fund, the Executive Head of Finance agreed to investigate whether the interest had been included.

The Insurance Reserve comprised a sum set aside in connection with the run-down of Municipal Mutual Insurance. Members enquired whether it would be possible to reduce the amount held in this Fund. The Executive Head of Finance advised that the Fund had been used to meet a recent claim. However he would investigate as to whether the fund could be reduced.

**Resolved to note the report.**

**24/PF Treasury Management Annual Report 2016/17 and Mid-year Report for 2017/18**

The Committee received the following reports which

- summarised treasury management performance during 2016/17;
- set out the performance of the Council's investments and borrowing for the first six months of the year; and
- demonstrated compliance with the Prudential Indicators.

Although treasury income returns had decreased slightly in 2016/17, this had been against a backdrop of a continuing low interest rate environment nationally coupled with the redemption of investments to repay borrowing.

As at 30 September 2017, the Council held £111.4m of borrowing, (a decrease of £7.6m on 31/3/2017), which had been used to fund the previous years' capital programmes.

The Council held invested funds, representing income received in advance of expenditure plus balances and reserves. During the first half of 2017/18 the Council's investment balance had ranged between £6m and £11 million due to timing differences between income and expenditure.

It was noted that all of the Council's money held in Iceland Banks had now been returned and that the Council had received slightly more than the £4m originally deposited. The Committee congratulated the Finance Team on achieving this successful outcome.

The Executive Head of Finance agreed to respond by email relating to a question from Cllr Robin Perry relating to a breakdown of the percentage returns on investments.

**Resolved to note the report.**

**25/PF The Council's Finances as at 30 September 2017**

The Committee received the second quarter monitoring report against the 2017/18 approved budget, which provided an update on the Revenue, Treasury and Capital budget position as at 30th September 2017.

It was noted that at this halfway stage in the year, it was difficult to draw any firm conclusions as to the year-end outturn.

Members were provided with further information relating to the overspend against the budget on artists fees at the Camberley Theatre.

**Resolved to note the report.**

**26/PF 2017/18 Mid Year Performance Report**

The Committee reviewed a report which summarised the performance of the Council for the first 6 months of the year against the corporate objectives, priorities and success measures laid out in the Annual Plan for 2017/2018.

**Resolved to note the report.**

**27/PF Committee Work Programme 2017/18**

The Committee considered the work programme for the remainder of the municipal year. Members noted that the next meeting was scheduled for 21 March 2017.

**Resolved that the Work Programme, attached as Annex A to the agenda report be agreed.**

**28/PF Exclusion of the Press and Public**

In accordance with Section 100(A)(4) of the Local Government Act 1972, the press and public were excluded from the meeting for the following items of business on the ground that they involved the likely disclosure of exempt information as defined in the paragraphs of Part 1 of Schedule 12A of the Act as set out below:

Minute	Paragraph(s)
29/PF	3
30/PF	3

**29/PF Performance of the Major Property Acquisitions**

Members received a report on the performance of the Council's major property acquisitions and noted the position relating to the income received from rents and capital receipts.

The Committee was advised that 2 recent potential acquisitions had not proceeded. It was the nature of property investment that not every property investigated would be purchased as it was necessary to ensure that only those investments which represent good value and a low investment risk were eventually purchased. This did mean however that the Council would incur abortive costs from time to time. Members received information in relation to the amount of those costs occurred to date and were informed that these costs had been netted off against income received.

The Development Agreement in relation to Ashwood House and Pembroke House had now been exchanged with a purchase price which had exceeded the original

estimate. In relation to the amount of anticipated income received for Ashwood House from the Council Tax, Members were informed that the Council would receive an additional £24,000 annually.

It was also noted that more flexible letting conditions on St Georges Industrial Estate had contributed to increased occupancy levels.

Due to new conditions for the payment of the New Homes Bonus, the Committee was informed that the Council would be unlikely to receive any significant amounts in the future.

**Resolved to note the report.**

(Note: in accordance with the Council's Members' Code of Conduct Cllr Paul Deach declared a non pecuniary interest in relation to his social media work for Camberley Town Centre.)

**30/PF Submission of the Task and Finish Group**

The Committee received the report of the Task and Finish Group set up to review the impact of recent government benefit reforms on the Council and its residents, and to consider and recommend changes which could help minimise any negative repercussions.

The Task and Finish Group had met on several occasions and had considered the effect of the benefit changes which had occurred since 2013.

Within the Borough, the impact of the changes had evidenced itself by way of an increase in the number of claimants for the new schemes as the old schemes were closed, the need for additional help with homelessness and a large increase in those suffering from personal indebtedness.

Overall the Group believed that the best way to meet these needs and tackle an increasing problem, was to facilitate a stronger working relationship with specialist local charities. The Borough was fortunate to be located in an area where many of its residents were well educated and relatively affluent, who took an interest in their community and who were willing to volunteer to help the less fortunate. The Group considered that these residents could help provide a cost effective and efficient means of addressing the problems.

The Committee considered the specific proposals recommended by the Task and Finish Group.

**Resolved**

- 1. to recommend to the Executive that**
  - (i) the Department of Works and Pension (DWP) be urged to work more closely with the Council**



- (a) to mitigate the impact of the benefit reforms on the residents of the Borough;
    - (b) to ensure that there is adequate provision of computer facilities internet access and advisors across the Borough to support the wider introduction of Universal Credit and other changes to the welfare system;
  - (ii) in relation to computer facilities, internet access, and advisor support, that
    - (a) the list of sites with be refreshed, and widely publicised to the relevant audience;
    - (b) this exercise be repeated on a six monthly basis;
    - (c) in the event that this exercise indicates a shortage of available sites and/or personnel, alternative options, including the involvement and closer collaboration with local charities in the relevant sectors to be considered.
  - (iii) the work done by the Surrey Credit Union in supporting residents in the Borough be noted and supported;
  - (iv) the closer working relationship and joint working initiatives between the Camberley Job Centre and the Council be noted and supported;
  - (v) the Local Plan Working Group be asked to take full account of the indicated increased need for one bedroom properties, when developing the plan.
2. that the External Partnership Select Committee be requested to invite Boom and DWP to their future work programme.

(Note: In accordance with the Council's Members' Code of Conduct Cllr Robin Perry declared a non pecuniary interest as the Council's representative and Trustee of the Camberley Citizens Advice Bureau Management Committee.)

### **31/PF Review of Exempt Items**

The Committee reviewed the reports which had been considered at the meeting following the exclusion of members of the press and public, as they involved the likely disclosure of exempt information.

**Resolved that**

- (i) the report at Agenda Item 15 – Performance of the Major Property Acquisitions - remain exempt but that Minute 29/PF be made public; and**
- (ii) the Notes at Agenda Item 15a - Submission of the Task and Finish Group – remain exempt but that Minute 30/PF be made public.**

Chairman

**Community Portfolio**

Portfolio	Community
Ward(s) Affected:	n/a

**Purpose**

**To provide a progress report on the Community Services Portfolio**

**1. Background**

1.1 The Community Portfolio covers a wide range of public facing services. Some services are statutory such as Environmental Health and Emergency Planning whilst others such as Older People Services are discretionary.

**2. Emergency Planning and Business Continuity**

2.1 The Civil Contingencies Act 2004 places a duty on the Council to ensure critical services are resilient in order to respond to disruptive events. This involves ensuring both Emergency and Business Continuity Plans are in place.

2.2 In 2017/2018 we have:

- a. Completed mandatory training for all staff on the operation of the Borough Emergency control centre (BECC).
- b. Completed training for all BECC Co-ordinators
- c. Conducted a BECC training exercise.
- d. Updated the emergency contacts directory and flood plan.
- e. Responded to an incident of collapsed scaffolding on boxing day.
- f. Conducted a workshop and now developing business continuity procedures at corporate and service level.
- g. Re-writing the Emergency Plan which is now in its final draft.

2.3 In 2018/2019 we will:

- a. Sign off of new Emergency Plan
- b. To complete Business Impact Assessments
- c. To complete Corporate and services plans.
- d. Incident Management Team training for CMT.
- e. Review of Rest Centres and Training
- f. Review of Rest Centre Plans
- g. Incident Liaison Officer recruitment and Training (we are still low on numbers) training is booked
- h. Review of BECC plan and procedures from exercise learning.

- 2.4 In response to a question from Members regarding Power outages: Once a power outage has gone on for a prolonged period of time the utilities companies will inform the SCC Duty Officer. This will then be notified to the District or Borough it relates to. If the incident is deemed serious in nature; time; or condition a Tactical Coordination Group maybe called. The vulnerable people reporting system will be ran for the affected area and the vulnerable people in situ plan will be activated. This means agencies work together to help support the most vulnerable. We will also work closely with utility companies to ensure residents have alternatives e.g. gas cookers or generators. We would also follow our emergency plan procedures

### **3. Environmental Health**

- 3.1 The Council employs a team of 7 Environmental Health Officers enforcing a range of statutory functions this includes; Food safety in 634 food businesses; Health & Safety in 1500 workplaces; Air quality monitoring; Statutory Nuisance investigation and control; Dog Control and Pest Control.
- 3.2 The Food Standards Agency requires the Council to inspect food businesses within 28 days that the inspection is due. The frequency of the inspection being determined by the risk it presents. The team is on track to meet this target for 100% of the food businesses in the Borough. The proportion of food businesses rated 3 or above under the food hygiene rating scheme is expected to be 97% against a target of 95%.
- 3.3 During 2017/18 the team received 230 service requests for investigation into noise related problems. Of this 64 were received out of hours. 98% of all service requests were resolved within three months of initial contact. The majority of the service requests were concerned with domestic sources regarding the playing of amplified music or dog barking, and the majority of cases investigated had an outcome of being unfounded or unsubstantiated.
- 3.4 The Council operates an out of hour's Environmental Health service for 365 days per year. It mainly deals with noise complaints. In 2017/2018 we have dealt with 64 service requests for investigation from a mixed variety of sources. The most common source being amplified music from domestic premises – usually one off parties.
- 3.5 A major area of the teams work this year has focussed on air quality.

### **4. Air Quality**

- 4.1 Monitoring of nitrogen dioxide (NO<sub>2</sub>) and small dust particles (PM<sub>10</sub>) is carried out at a mobile continuous monitoring station situated in Castle Road, Camberley, approximately 20 metres north of the M3. In

addition, the Council monitors NO<sub>2</sub> concentrations using diffusion tubes across a network of 36 sites.

- 4.2 The annual mean NO<sub>2</sub> concentration for the continuous monitoring location was well below the annual mean NO<sub>2</sub> objective of 40 µg/m<sup>3</sup>.
- 4.3 The annual mean NO<sub>2</sub> objective was exceeded at only 1 of the 36 diffusion tube monitoring locations that make up the SHBC network – SH7. This SH7 monitoring site is close to the M3 but is not representative of public exposure. After distance correction, the concentration at the closest residential location here was estimated to be well below the NO<sub>2</sub> objective.
- 4.4 The National Air Quality Plan for Nitrogen Dioxide sets out how the Government will ensure that compliance with air quality limits is achieved in the shortest time possible. A key part of the Plan is a requirement on some local authorities to undertake feasibility studies to explore a range of measures to improve air quality.
- 4.5 Surrey Heath Borough Council is one of the authorities named in the Plan as needing to undertake a feasibility study. This is because computer modelling has shown that along parts of the A331 concentrations of nitrogen dioxide are predicted to exceed the annual mean objective for nitrogen dioxide. The study will be carried out in conjunction with Guildford and Rushmoor Borough Councils. A technical group of officers has been set up to produce the plan for the study which is overseen by a strategic group of Members and senior officers. The Government has allocated the three Councils an initial £600,000 to fund the study.
- 4.6 In response to a question from one Member about wood burners. These should not be significant air quality problem if the used properly.

## **5. Health and Wellbeing**

- 5.1 The Council has established a Health and Wellbeing group which comprises of elected members and senior officers of Surrey Heath Borough Council , Surrey County Council; Adult Social care: Surrey Heath CCG and NHS Surrey (Public Health Consultant). The group has agreed a Surrey Heath Health and Wellbeing Action Plan which is monitored by the group.
- 5.2 The main focus of the group has been setting and implementing a prevention plan which links with the Frimley Health STP priorities and the Council's own 5 –Year strategy and annual plan. The projected outcome is to have one set of priorities covering health and wellbeing across Health; Social Care; and the Borough Council.
- 5.3 Internally, services across the Council are working together to deliver the Health and Wellbeing agenda e.g. Community services and

Housing Services working together to help vulnerable residents maintain independence in the home; Business Services providing services to encourage residents of all ages to participate in sport; and Environmental Health working with Trading Standards to encourage food businesses to offer healthy choices.

## **6. Community Services**

6.1 Our services continue to support residents of all ages, with a range of different support needs or personal circumstances. These include

- a. Older residents
- b. Residents with physical disabilities
- c. Residents with sensory impairments
- d. Residents with mental health issues
- e. Residents in need of short term support due to injury or ill health.
- f. Residents in need of support post operation or other medical procedure
- g. Residents with ongoing ill health

## 6.2 Partnership

- a. We continue to work with Runnymede Borough Council in delivering Community Services together in partnership. This allows greater access to resources both human and physical, providing immediate and cost effective support to each other when required. The partnership works with a management team from across both Boroughs, who are working collectively in developing existing services, identifying new opportunities and providing new services to residents of Surrey Heath.
- b. We work in partnership with Surrey County Council, Surrey Heath CCG and Frimley Health STP as part of the progressive integrated health and social care agenda locally. As a Council and as a department, we have worked to demonstrate our value as a partner within this agenda and to raise the profile of the wide number of ways the Borough Council can proactively contribute to meeting the priorities set locally.

6.3 In 2017/2018 we:

- a. Integrated our community services structure across the partnership.
- b. Were awarded a Wellbeing Prescribing contract
- c. Refurbished the Windle Valley Centre
- d. Designed and implemented a Carer Respite Day Care
- e. Successful re-branded our services (literature, vehicles, display boards etc).
- f. Launched our Homesafe service in Frimley Park and Farnham Hospitals.

- g. Operated a Meals at Home service delivering hot meals to older and vulnerable resident's 7-days per week (including Christmas day). *In the first 3 quarters of this year we have delivered 29,355 hot meals against a full year target of 28,500.*
- h. Operated a community transport service. *In the first three quarters of this year we have completed 17,445 passenger journeys (target 24,000) for residents who cannot access public transport.*
- i. Migrated the Community Alarm and Meals at Home services to new software platforms, enabling enhanced levels of service
- j. Transferred the Community Alarm services to a new monitoring centre, resulting in saving of £5,000.

#### 6.4 In 2018/2019 we will:

- a. Have in place an annual plan for the Community Services partnership, outlining all priorities, future work streams, partnership working and any associated risks
- b. Deliver the Wellbeing Prescribing service in Surrey Heath, working with Surrey Heath CCG and Frimley Health STP
- c. Continue to identify need and opportunities to deliver community transport services in six villages.
- d. Extend the Meals at Home service into other areas of the Frimley Health STP in order to promote sustainability of core service for SHBC residents.
- e. To further develop the Carer Respite service at Windle Valley.
- f. Following appropriate co-design with Surrey Heath CCG and Adult Social Care, implement Dementia Day Care service at Windle Valley if commercially viable.
- g. Implement a new Community Services core training and induction plan to ensure all staff are trained to required standards
- h. Train team members in Making Every Contact Count to support residents by linking them to other services available locally through delivery of Community Services
- i. Formerly launch group travel and vehicle hire service to enable voluntary and community organisations to access affordable transport solutions
- j. Pursue new contract opportunities for the Community Transport service, generating income used to promote sustainability of wider service
- k. Continue to contribute fully as part of the wider health and social care agenda

## 7. **Recycling and Refuse**

- 7.1 The latest performance figures for proportion of waste re-used; recycled and composted published by Defra are for 2016/2017. The figure for Surrey Heath is of 62.3%. This places Surrey Heath in the 1<sup>st</sup> position for Surrey and 5<sup>th</sup> position in England.

- 7.2 As a result of Surrey Heath BC introducing a comprehensive recycling service, and residents' strong participation with the service:
- a. 2,000 tonnes a year of greenhouse gas emissions (CO<sub>2</sub>e) have been avoided
  - b. 11,000 tonnes less waste goes to energy from waste facilities and landfill each year
  - c. 1 MW of energy is recovered from Surrey Heath's residual waste and food waste, which is enough to power 1,600 homes.
- 7.3 There was also good news for the Surrey Waste Partnership which had the joint highest recycling rate of the 32 two-tier authorities in England, at 57.7%.

## **8. Joint Waste Procurement**

- 8.1 The contract mobilised in Surrey Heath on 5 February with the crews driving the same refuse, recycling, and garden waste rounds that were in place under the previous contractor. Separate food rounds were introduced from the outset.
- 8.2 The current level of reported missed refuse and recycling collections in Surrey Heath is low and similar to previous levels. Reported missed food bins is higher, however the Contractor has reported that most food bins are empty when the crew returned. It is believed that some residents had forgotten that the food waste is now collected at a different time to refuse or recycling.
- 8.3 All employees who were expected to transfer from Biffa did and there were no unexpected absences on day 1. Since then, only 1 member of staff has decided not to stay with Amey.
- 8.4 Amey is now managing the garden waste administration. All existing garden waste customers have received information on how to register for the garden waste service. There have been some issues with customers being able to register or submit payment using the portal. As at 22 February 2018, over 6000 people had subscribed to the garden waste service.
- 8.5 The outstanding developments required to the garden waste portal is scheduled to be completed on 9 March 2018. This work includes allowing customers to change their service online at any time of the year, request multiple bins and will improve the customer journey online. Given the issues experienced by Surrey Heath customers, Joint Waste Solutions have requested a review of the development programme to ensure that the work will deliver all the required improvements to the customer journey.
- 8.6 Amey took over the customer services calls for waste on 5 February 2018. Whilst Amey brought in 2 additional staff to answer calls, the



total number of calls made to the contact centre during the first week averaged 880 per day. This compares to 100 a day during the previous week for Woking only. Unfortunately, the increase in call volumes impacted on call answering stats, with 60% of calls answered against a target of 90%.

- 8.7 The collection contract with Amey has a comprehensive performance framework, which includes 15 Key Performance Indicators and a number of additional local performance indicators. In its role as the client, Joint Waste Solutions has a very experienced team located in the Borough who work with Amey to deal with local issues as they arise and address any escalated complaints from residents. On a weekly basis, The Surrey Heath team manager meets with Amey to monitor current performance and discuss how the operation is working. On a monthly basis, a performance report for the whole contract is considered by Joint Waste Solutions and Amey, enabling monthly improvement priorities to be discussed and agreed.

**9. Street Cleansing**

- 9.1 The cleansing service in Surrey Heath provides for the mechanical sweeping and disposal of litter and debris from our streets. Sweeping is supported by mobile teams. The contract includes the cleansing of car parks, public toilets, recycling sites and the removal of fly tips, weeds, fly posters and small scale graffiti.
- 9.2 The street cleansing contract is operated on an output basis. The standards of cleanliness required to be maintained are specified in the contract. An independent Litter and Detritus is carried out regularly and the results are reported to the Joint Waste Collection Services Committee which oversees the contract. It is too early for results to be reported to this committee.
- 9.3 The Corporate Enforcement Team carries out enforcement of littering offences.

**Fixed Penalty Notices**

<b>Offence</b>	<b>No of notices issued</b>	<b>Payment received</b>
Dropping litter	1	£50
Abandoned Vehicle	4	£640
Illegal dumping of waste	3	£1,200

- 9.4 In addition there were 8 prosecutions for littering, fly tipping and abandoned vehicles resulting in fines totalling £5,034.

**10. Community Safety**

- 10.1 The Council has a statutory duty under The Crime and Disorder Act 1998, to form a Community Safety Partnership (CSP). The Surrey Heath Partnership (SHP) formed in 2009 works to oversee and manage key community safety issues, by working collectively to implement strategies to tackle local problems.
- 10.2 At the SHP meeting last month Inspector Bob Darkens Surrey Police's local Commander provided an update on the latest Crime Statistics, which reported that to (Jan2018) 3,998 notifiable offences had been recorded an increase of 22.6% when compared to the same period the previous year when 3,260 offences had been recorded. The rise was attributed to the introduction of more robust reporting requirements and it was stressed that Surrey Heath's crime levels were the lowest of the local authority areas in Surrey's western policing area and across the whole of the Surrey area only Mole Valley's recorded lower levels.
- 10.3 Working collaboratively the local neighbourhood policing team had achieved a number of successes in recent months including work with Surrey County Council to safeguard a vulnerable elderly man from exploitation and move him into safe accommodation; working with medical professionals to address the medical needs of an 11 year old boy; and securing a closure order on a property being used as a brothel. Two men from North Hampshire had been charged with committing 37 burglaries including a number in Surrey Heath and three officers had been commended for bravery.

**Regulatory Portfolio**

Portfolio	Regulatory
Ward(s) Affected:	All

**Purpose**

**To provide a progress report on the Regulatory Services Portfolio**

**1. Background**

- 1.1 The Regulatory Portfolio comprises a wide range of services and a summary of the key issues arising in 2017/18 for each of these is set out below.

**2. Planning Policy and Conservation**

- 2.1 The key work area for this team is the production of the local plan review. The Issues and Options document has progressed through the Working Group and will be presented to Executive in May 2017 for approval for public consultation.
- 2.2 The team produces an Annual Monitoring Report which records, amongst other data, housing completion rates in the Borough. In the last 5 years overall housing completion rates have been as follows.

Year	Net completions	Objectively Assessed Housing Need Target
2011/2012	179	191 (Core Strategy figure)
2012/2013	217	191
2013/2014	127	191
2014/2015	187	191
2015/2016	305	191
2016/2017	226	382 (2016 SHMA figure)

- 2.3 For affordable housing the completion rates have been below target overall.

Year	Affordable Housing Completions	Target
2012 - 13	20	65
2013 - 14	0	65
2014 - 15	6	65
2015 - 16	21	65
2016 - 17	74	65

- 2.4 The main reason for failure to provide affordable housing relates to viability. All viability assessments provided by developers are independently checked before any agreement over a reduction in contributions is reached. Commuted payments have been taken in lieu

in some cases but the sum collected to date of £1.5m for alternative provision will fund only a small proportion of the shortfall.

- 2.5 One of the key roles of the team has been to secure valuable funding for infrastructure to support redevelopment. The team has been taking forward bids to government for funding and in 2017 secured the £3.5m grant from the EM3 Local Enterprise Partnership for improvements to the High Street, Princess Way and other parts of Camberley Town Centre. The team have also now secured the second phase of funding of £280,000 from One Public Estate for work to release surplus public sector assets in the Borough. Work will shortly commence on supporting Surrey County Council with the submission of the business case to the EM3 LEP for £3.5m of funding for improvements to the London Road (A30) in Camberley town centre.
- 2.6 The Planning Policy and Technical Support Manager retires at the end of April and the Planning Policy Manager will be on maternity leave from the end of April onward. The team will struggle to carry forward many of the initiatives outlined above as to date, it has not been possible to recruit replacements.

### **3. Private Sector Housing Enforcement**

- 3.1 The housing stock within the Borough is generally in good condition and there have been no prosecutions this year. There are, however, a number of cases ongoing. Where concerns about the quality of a property arise, the Council always seeks to find the quickest way to resolve issues for tenants and landlords. While every complaint could potentially lead to prosecution, officers have a strong track record of securing the best outcome without using the ultimate sanction of prosecution. Threat of prosecution is, however, a useful incentive for landlords who are reluctant to fulfil their obligations.
- 3.2 There have been no clearances of housing due to hoarding. The team have has undertaken 180 housing inspections in 2017.

### **4. Disabled Facilities Grant**

- 4.1 The Private Sector Housing Enforcement Team took over Disabled Facilities Grants/ Housing Improvement Agency work in Autumn 2016 and is now coming to the end of the first full year of running this service. So far in 2017/18 the team has agreed 100 grants with a few more still waiting to be agreed before year end.
- 4.2 Types of works agreed include stair lifts, shower rooms/bathroom adaptations, access issues (e.g. doors, ramps, etc.), scooter stores and vehicular access.
- 4.3 The team is seeking to adopt a more sustainable approach to grants provision and as part of the work now looks to move people rather than fund major adaptations for homes that are clearly unsuitable. In

2017/18 they have moved two households to more suitable homes as their current homes could not be adapted in a practical or affordable way. For a third household, they are looking at putting adaptations into a new house at build stage for a cost effective and personalised response to that resident's needs. This new approach reflects the approach to case work being sought through the restructure of Housing to become a Housing Hub, working across disciplines to find the right housing solution for residents in need.

- 4.4 The team is also looking to closer joint working with SCC to provide dedicated occupational therapy support that offers more appropriate advice and working with Community Services to support their work around adaptations for elderly people such as key safes, this includes the reintroduction of the Home Handyman Service.

## 5. Housing and Homelessness

- 5.1 In 2017/18 to date the team has received 76 homeless applications of which 44 were found to be owed the full housing duty. The total number for whom the team prevented homelessness was 88 through early intervention.
- 5.2 The primary cause of homelessness over the last two years has been the ending of a private sector tenancy through no fault of the tenants and difficulty in securing alternative housing. Difficulty in securing housing often reflects ability to pay, a snapshot of rents in Camberley is set out below.

Snapshot of average rents in Camberley:

Property size	Average rent	Local housing allowance
1 bedroom	£781	£612
2 bedroom	£1063	£765
3 bedroom	£1370	£913

- 5.3 The team is now commissioning joint floating support with Guildford Borough Council and Surrey County Council to assist with preventing tenancy breakdown and keeping people in their own homes. The impact of Universal Credit on this issue will be closely monitored.
- 5.4 The second main reason is family breakdown, usually parents evicting adult children, who often have children of their own. These reasons demonstrate that homelessness will never be eradicated and that we need to continue our work to reduce its impact on the individuals and families affected.
- 5.5 The team is continuing to maintain low levels of people in B&B with currently 3 households (all rough sleepers under the severe weather provision) in this accommodation. For the same time in previous years there were 12 in B&B in 2014, 11 in 2015, 3 in 2016 and 1 in 2017. The

team has succeeded in minimising the costs of this issue to the Council as compared to costs being experienced by other authorities.

- 5.6 Total cost in Surrey of housing families in temporary accommodation (includes B&B) in 2016/17, before reclaim of grant from is shown below. This gives some idea of the cost implications for authorities that fail to address this issue

Authority	Cost before grant reclaim
Elmbridge	£224,945
Epsom and Ewell	£2,100,000
Guildford	£38,130
Mole Valley	£443,575
Reigate and Banstead	£506,008
Runnymede	£127,575
Spelthorne	£1,300,000
Surrey Heath	£99,753
Tandridge	£2,390
Waverley	£10,273
Woking	£560,825

- 5.7 Other measures to tackle homelessness include 2,331 face to face interviews to provide advice and support with housing and homelessness advice. The Team around the person project provide dedicated support to single homeless individuals and assisted 30 people in securing housing, accessing health services, training and employment. Separately the team commissioned a study to investigate how a service to support, in particular, single homeless persons could be set up. The work with the local community on this issue has led to the setting up of a new charity 'The Hope Hub' which will take this work forward. The Team is now working with the charity to find suitable accommodation in Camberley Town Centre.
- 5.8 In addition the team were successful in securing consultancy support funded and provided by DCLG (with a maximum value of £14,000) for a study of options for providing housing for single homeless people, this study is currently underway.
- 5.9 The above demonstrates the Councils commitment to helping people to avoid homelessness by staying in their own homes or moving in a planned way.
- 5.10 The team is now gearing up for the new responsibilities coming forward from April 2018 onward under the Homelessness Reduction Act. It is important that people facing homelessness continue to have access to the right advice and support. Part of the approach will to shift to work as a multidisciplinary housing hub with all staff involved in addressing needs.

## 6. Planning Enforcement Policy

- 6.1 The actual policy remains unchanged but the ability to implement policy and undertake action continues to be a cause of concern to councillors and residents.
- 6.2 Since the Scrutiny Committee last year the service has moved forward with providing improvements to the enforcement function. The day to day processing of casework and the investigative element of the function is now provided through the Corporate Enforcement Service. Reports of breaches of planning control are now taken through the Contact Centre and recorded directly into the system or through online forms. New software to improve reporting will be provided as part of a wider upgrade for the planning function.
- 6.3 Cases are now progressing through this part of the process more quickly and what this has highlighted is the lack of dedicated planning officer support for the enforcement function. A new post is being recruited that will take forward the appeals, planning application and planning casework as well as helping the Corporate Enforcement Team to prioritise the casework. This is being funded through the recently announced increase in planning fees.
- 6.4 Looking at caseloads, with outstanding cases rolled forward from 2016 and case reported in 2017 and 2018 a total of 363 compliance/enforcement cases (of which 230 were reported in 2017 and 2018) have been dealt with during 2017/18. These are as follows

Case type/action	Number
No breach found	110
Breach discontinued/ compliance achieved	96
Enforcement Notice served on site	4
Planning permission required and no notice served	9
Planning permission being sought/at appeal	18
Planning permission/ Appeal allowed	9
Still ongoing	117
Not yet checked	0

- 6.5 One particularly large enforcement case is the Swift Lane action, for which the Executive agreed additional funding to support the cost of the work. The inquiry for that enforcement action will begin in April 2018 but in addition so far a Stop Notice has been served and a High Court injunction taken out This has resulted in 10 haulage companies being prosecuted for various environmental offences and breach of the Stop Notice. Those prosecutions are still ongoing and more notices will be issued shortly. In addition weekly site visits are now underway to monitor changes on the site. There is now dedicated administrative support and an external legal consultant for this action, as the workload is significant and is occupying a substantial amount of officer time within the Corporate Enforcement Team.

## **7. Drainage**

- 7.1 This is a one man service responsible for maintenance of Council assets and in addition working with other bodies to address flooding in the Borough. In 2017/18 the Drainage Engineer secured £214,000 of funding from the Environment Agency to pay for flood attenuation measures to be provided as part of the Chobham Water meadows SANGs.
- 7.2 Again in 2017/18 here were no reported incidences of flooding in Chobham Village. In addition work is now underway to again review the potential for providing attenuation measures in the east of the Borough.

## **8. Land Charges**

- 8.1 This service provided 2,100 Land Charges searches a year and most are provided within 24hours, well within the target of 3 days. However, numbers have slightly dropped in 2017/18 as the housing market slows down.
- 8.2 The service will cost the Council £ £119,080 to provide in 2017/18 ( including support costs). Income is expected to be £230,000 and thus the service is currently self-funding.
- 8.3 The main challenge facing this service is the continuing roll out of the government project to move delivery of land charges away from local authorities and into the Land Registry as a new online service. Local authorities will, however, be expected to maintain the data needed for the new national service and thus, whilst income will be reduced, the cost of the providing the service will largely be unchanged.

## **9. Development Management**

- 9.1 The numbers of planning applications received in the first 3 quarters of 2017/18 at 873 is slightly higher than previous years for the same time period. The number of major applications received continues to be higher than surrounding boroughs, with such applications being more complex to deal with.
- 9.2 The recent increase in planning application fees will be used to fund the recruitment of an additional major applications planner. In particular, as the development at Princess Royal Barracks and applications are received for each of the phases of the development additional staff resource will be required.
- 9.3 The team has also recently been awarded government funding for 2017/18 (£15,000) and 2018/19 (£70,000) to support its work in improving the quality of design in new development. This will be used to fund new design guidance, more training and employ contracted in-house urban design support this is in addition to the ongoing work with Design South East. This will be particularly useful as the Council



moves forward with work on the redevelopment on the London Road Block in Camberley.

- 9.4 A key challenge for this team remains recruitment and the 20% increase in planning fees will be used to recruit staff. At the moment more experienced staff are being sought to address immediate problems.

## **10. Family Support**

- 10.1 Surrey County Council removed targets for this service in 2017/18 as the work undertaken has changed and payment is no longer based on this outcome. For the purposes of internal monitoring of performance, however, the team continues to have a notional target of 104 families. So far in 2017/18 it has completed working with 88 families ( 40 in Surrey Heath) these families have moved through intensive support and are now being supported by a nominated lead organisation. The team is currently working with a further 33 families (17 in Surrey Heath).
- 10.2 The team has looked back to 2016/17 to see what happened to those families. Of the 54 worked with from Surrey Heath, 8 were found to have circumstances that required more serious intervention and 3 have now moved into a child protection programme. The remaining 46 have maintained the improvement achieved.
- 10.3 The team has also now moved into work with the new Edge of Care Team at Surrey. This is working with vulnerable children at risk of going into care or coming out of care and needing reintegration back into the family. The Edge of Care Service will offer a Family Therapist to support the Family Support Team. It is estimated that this new approach to working with children in need of care will save SCC up to £140,000 per year, per child in care provision. Members will recall that Surrey Heath/ Runnymede team pioneered working with Family Therapists for the SCC projects some years ago.
- 10.4 The team also provides support for the Vulnerable Persons Relocation Scheme. Two families have been accepted by Runnymede and are housing in Council housing stock. No families have been taken in Surrey Heath as finding suitable housing has proved to be a problem. Measures to try to find accommodation include running an advertising campaign on Eagle Radio asking for accommodation, no offers of accommodation were received. Surrey Heath is one of 4 Councils in Surrey that have not taken refugee families, this includes Spelthorne which has not signed up to the scheme
- 10.5 To date we have not sought to use RSL housing stock but it is now clear that this option must be explored and work is now underway with Accent Peerless to reach agreement on an approach.

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## Council Finances as at 31 December 2017

### Summary

To inform the Performance and Finance Scrutiny Committee of the position of the Council Finances as at the 31 December 2017.

### Wards Affected

All

### Recommendation

**The Committee is advised to NOTE the Revenue, Treasury and Capital Position as at 31 December 2017 and comment as appropriate.**

## 1. Key Issues

- 1.1 This is the third quarter monitoring report against the 2017/18 approved budget, which provides an update on the Revenue, Treasury and Capital budget position as at 31 December 2017.
- 1.2 At this stage in the year, the year-end outturn position can be forecast with more accuracy. We are forecasting to be on budget at net expenditure level and after taking account of savings in borrowing costs we are forecasting an £1m underspend the end of the financial year. The underspend will be placed in an interest equalisation reserve at year end. This report is intended to give an update as to where services currently are against profiled budget for the third quarter.

## 2. Resource Implications

### Revenue Budget

- 2.1 Actuals against Budget for the 3<sup>rd</sup> quarter are shown in the attached annex. Corporately it is forecasted that there will be an underspend of £1m at the end of the financial year. Individual service variances are included in Annex A.

### Capital Budget

- 2.2 At the end of the third quarter, £3.791m has been spent on capital projects. The largest element has been £2.3m on renovation works at the Square, £518k on the purchase of a property in Doman Road. A payment of £163k was made as final settlement for the acquisition of the Square, £58k carrying out works at the Main Square Car Park plus £48k purchasing new Sang's land at Chobham. The remainder has been spent on renovation grants, refurbishment of Windle Valley Day Centre and smaller projects.

- 2.3 One project is to be removed from the 2017/18 capital programme and one project is to have its budget revised. The refuse vehicle project worth £3.2million has been delayed and the purchase of the vehicles will not now take place till the summer of 2018. As a result the project has been removed from the 2017/18 programme and transferred to the 2018/19 capital programme. A property acquisition project will be removed from the programme.

### **Treasury Investments**

- 2.4 The Council currently has £18m in cash investments and £111m in borrowings. On the advice of the Council's Treasury Advisors, cash investment of £95m has been borrowed from other public bodies on a short term basis with the remainder on longer term arrangements from the Public Works Loans Board. Cash investments were sold during the year to repay debt and, although this has affected interest rate returns, it is more than offset by the reduction in interest that would have been payable.

### **Debtors**

#### Sundry Debts

- 2.5 Sundry debts include all debts except those relating to benefits. During December 2017 a number of large value invoices were issued with subsequent payments being received in January 2018. Taking into account the above timing difference and the debts being collected by monthly instalments actually leaves £876k to be collected. At the same period last year the debt stood at £1.1m therefore the level of debt will be kept under observation but is not a major concern at this stage.

#### Housing Benefit Debts

- 2.6 These debts arise when an overpayment in housing benefit has been made and thus has to be recovered. The Table below shows the movement in the balance over the last 12 months

	Mar-17	Jun-17	Sep-17	Dec-17	Total
Debtors b/f	648,412	657,250	648,073	648,619	648,412
Cash repayments	-36,749	-36,353	-47,331	-61,407	-181,840
Deductions from Benefits	-50,004	-81,136	-37,734	-35,539	-204,413
New overpayment debts	95,591	108,312	85,611	66,435	355,949
Debtors c/f	657,250	648,073	648,619	618,108	618,108

The level of debt has reduced over the past 3 months by £31k due to increased recovery of overpayment debts and a reduction in new debts being raised during the quarter.

Of the £618k outstanding, 50% are on a payment plan, and the remainder are being chased. It is worth noting that out of the total 300 individual debts the 3 largest each owe over £20k, with a further ten individuals each owing over £10k which amounts to over 40% of the total balance and that these are on payments plans, which typically can last for many years.

### 3. Options

3.1 The report is for noting only.

### 4. Proposals

4.1 It is proposed that the Executive is advised to NOTE the Revenue, Treasury and Capital Position for the period to 31st December 2017 and agree the proposed changes to the 2017/18 capital programme.

### 5. Supporting Information

5.1 None

### 6. Corporate Objectives and Key Priorities

6.1 This item addresses the Council's Objective of delivering services efficiently, effectively and economically.

### 7. Sustainability

7.1 Budget monitoring and financial control are important tools in monitoring the financial sustainability of the Council.

7.2 Key services are being maintained despite financial constraints

### 8. Risk Management

8.1 Regular financial monitoring enables risks to be highlighted at an early stage so that mitigating actions can be taken.

### 9. Officers' Comments

9.1 The report covers the third quarter of the year and based on performance so far, there are no significant issues to cause concern at the moment.

<b>Background Papers</b>	none
<b>Author/contact details</b>	<b>Adrian Flynn - Chief Accountant</b> <a href="mailto:Adrian.Flynn@surreyheath.gov.uk">Adrian.Flynn@surreyheath.gov.uk</a>
<b>Head of Service</b>	<b>Kelvin Menon - Executive Head of Finance</b>

## Detail on the Revenue Budget Position at 31<sup>st</sup> December 2017

Services are asked to explain significant variances between their profiled budget and actual expenditure to date and comment on areas of concern.

The statements below show the actual position against profiled budget as at the 31<sup>st</sup> December 2017 excluding pensions, redundancy and asset recharges. These have been excluded as they are not in the control of the services themselves.

Budget for the Period	Actual for the Period	Year end Out turn forecast
£8,732,000	£6,208,000	-£1,000,000

### Corporate Service

*Budget for period £1.145m, Actual for Period £1.132m.*

*Year-end Outturn Forecast £29k favourable variance.*

There is a underspend on electoral registration of £47k as a result of IER grant being received in 2017/18 and a carry forward from 2016/17. Public relations is showing an adverse variance of £12.5k due to no longer receiving the PPP funding from Surrey County Council.

The remaining favourable and adverse variances cover a variety of remaining cost centres within the Corporate Portfolio.

### Legal and Property Service

*Budget for period £-77k, actual for period £-1.166m.*

*Year-end Outturn Forecast £100k adverse variance.*

Most of the adverse variance is caused by the vacancy of the former BHS store on the ground floor of Ashwood House. Works will be carried out during the residential build which will enable additional floors and flats to be added giving a better overall financial return from the redevelopment. New lettings will be put in place. The loss of rent and overspends on building maintenance plus NDR is £330k, offset by commercial property and London road rental income. Public Offices electricity and gas are overspending as a result receiving bills relating to 2016/17 being paid in the current year, the overspend is reduced in part by a reduction in service charges. The outturn forecast takes into account an underspend on salaries due to vacant posts, changes in structure and vacancy margin.

## **Regulatory**

*Budget for period £2.048m, actual for period £1.662m.*

*Year-end Outturn Forecast £269k favourable variance*

Planning applications Income is exceeding the budget by £35k, while Planning appeals is £45k underspent due to reduced expenditure on Consultants. Homelessness is £160k underspent due to a late grant received from Government – this will be the subject of a report to Executive. The remaining favourable variances cover a variety of remaining cost centres within the Regulatory portfolio. The outturn forecast takes into account an underspend on salaries due to vacant posts, changes in structure and vacancy margin.

## **Transformation**

*Budget for period £1.339m, actual for period £1.313m.*

*Year-end Outturn Forecast £22k adverse variance*

Software licences will be overspent by £160k due to the budget not being increased for several years to take account of inflation. Corporate training will be overspent by £20k due to having no budget for the apprentice levy payment along with an £8k overspend on recruitment due to the increased difficulties in recruiting staff. The remaining small adverse variances cover a variety of the remaining costs centres within the transformation portfolio. The outturn forecast takes into account an underspend on salaries due to vacant posts, changes in structure and vacancy margin..

## **Business**

*Budget for period £527k, actual for period £930k.*

*Year-end Outturn Forecast £370k adverse variance*

The Theatre is forecasted to have a £114k overspend. There has been improved overall performance over the year to date, resulting in increased income from shows, hiring of rooms etc but these have been offset by an overspend on Artist fees. The pantomime which completed its run at the end of the 3<sup>rd</sup> quarter was a success with increased income levels and reduced production costs. The second is parking which is forecasted to be £221k overspent where due to a revaluation the rateable values have increased

threefold which have resulted in the business rates payable been higher than budget. These new rateable values are being appealed against. Parking income is also down on budget. The outturn forecast takes into account an underspend on salaries due to vacant posts, changes in structure and vacancy margin.

### **Community**

*Budget for period £3.360m, Actual for period £3.254m.*

*Year-end Outturn Forecast £4k favourable variance.*

Recycling will show a favourable variance of £100k over the year due to increased garden waste tonnage plus a higher recycling credit per tonne due to changes in the financial payment transfers since the budget was set and savings in contractor and equipment costs. Refuse will be £46k underspent at year end due to lower contractor costs and property growth which has been offset in part by a contribution to JWS to mobilise and manage the joint contract.

Community transport will be overspent by £48k largely due to overtime and acting up payments to cover staff sickness and staff vacancies. There has been a fall in income due to reductions in funding from the County Council and journey's being taken. Going forward the new Community Transport Manager is identifying new income opportunities and is looking to reduce maintenance costs by moving to a new contractor. The outturn forecast takes into account an overspend on salaries, due to agency staff covering vacant posts and staff sickness.

### **Finance**

*Budget for period £1.742m, actual for period £1.633m.*

*Year-end Outturn Forecast on Budget.*

There are some savings on Council Tax collection where there has been increased recovery of legal costs awarded along with some small saving on Corporate management, but these have offset by an overspend on salaries due to agency staff covering vacant posts, staff sickness.

### **Strategic Property Development**

*Budget for Period – £1.352m actual for period -£2.550m.*

*Year-end Outturn Forecast £1.190m favourable variance*

There a number of small favourable variances that cover a variety of cost centres within the Strategic property development area. The outturn forecast takes into account an underspend on salaries due to vacant posts, changes in structure and vacancy margin.



Savings of £1m have been made on the interest paid on our borrowings, by borrowing from other local authorities at reduced rates of interest. At year end these savings will be transferred to an interest equalisation reserve until the Council's loans have been fixed.

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**Corporate Risk Register**

Portfolio:	Finance
Ward(s) Affected:	All

**Purpose**

**To review and agree the Corporate Risk Register.**

Background

1. The current version of the Corporate Risk Register is attached at Annex A for Members' consideration. The Committee is asked to review the risk register annually and suggest amendments as appropriate.
2. The Corporate Risk Register includes high level risks. Each risk is rated between 1 and 4 as to how likely it is to occur and also between 1 and 4 as to the potential financial impact. The product of these two numbers gives the initial risk rating. Mitigation is then put in place to reduce the risk rating.
3. The Council has a Risk Management Strategy, and has a risk management process in place with an officer Risk Management Group meeting four times a year.
4. The Finance Portfolio Holder has the specific member responsibility for risk.

Proposal

5. It is proposed that Members review the Corporate Risk Register and comment as appropriate. It is proposed that the register is reviewed again in 12 months.

Options

6. Members can accept, reject or amend the proposal.

Resources Implications

7. No additional resource implications as a direct result of this report.

Recommendation

8. It is recommended that:
  - (i) the Corporate Risk Register is approved with or without amendments

- (ii) the Corporate Risk Register is again reviewed by this committee in 12 months' time.

Annexes Annex A - Corporate Risk Register

Background Papers None

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**SURREY HEATH BOROUGH COUNCIL**



**CORPORATE RISK REGISTER – March 2018**

**This register summarises the main risks faced by the Council in relation to achieving the objectives and priorities as defined in the Council’s Corporate Plan. It also notes the current mitigation action being taken to control those risks, and identifies any further action needed to implement other necessary mitigation action. The register does not identify all risks, but seeks to highlight the relevant main strategic risks.**

## Introduction

The following summary matrix shows at high level overview the key risks faced by the Council, and their initial rating. Those above the line of acceptable risk (the shaded area) have further mitigating action to bring them within the line.

### Summary Matrix – key strategic risks after mitigation

<b>Likelihood</b>  <b>4</b> <b>Very Likely</b> (>80%)  <b>3</b> <b>Likely</b> (50% - 80%)  <b>2</b> <b>Possible</b> (10% - 50%)  <b>1</b> <b>Unlikely</b> (<10%)				
		Information Management Business Continuity Supplier Failure Loss of funding	Treasury and Property Investment	
	Capacity and Resilience	Major Incident Enforcement Actions		
<b>Impact</b>	<b>1</b> <b>Low</b> (< £10k)	<b>2</b> <b>Moderate</b> (£10k to £200k)	<b>3</b> <b>Major</b> (£200k to £1m)	<b>4</b> <b>Severe</b> (>£1m)

	<b>RISK</b>	<b>Likelihood</b>	<b>Impact</b>	<b>Initial Rating</b>	<b>Mitigation</b>	<b>Ownership</b>	<b>Revised Likelihood</b>	<b>Revised Impact</b>	<b>Revised Rating</b>
1.	<b>Information Management, Data Sharing and Data Security</b> Loss or misuse of data leading to a breach of legislation and fines.	3	3	9	Paper and electronic data management systems; document and record retention policy; system to respond to data access requests; archiving system; training for all staff on data security. Data and Security breaches policy and procedure approved by Council. Data sharing protocol in place. Mandatory regular training of all staff on Data Security. Appointment of Data Protection Officer	KL	2	2	4
2.	<b>Loss of Funding for Services</b> Loss of funding from Government and partners leads to the Council being unable to provide services	2	3	6	The Council has embarked on an investment strategy to generate income from other sources.	KM	2	2	4
Page 39	<b>Business continuity systems and processes</b> – to plan for dealing with challenges to the continuity of the Council's business to ensure the effects on the community in such cases are mitigated as much as is practicable	2	3	6	Business Impact Assessments and Business Continuity Plans have been updated by all services and tested to ensure they are current and all critical functions are covered. Joint resilience structure in place	TP	2	2	4
4.	<b>Failure of Major contractor or supplier</b> Major contractor, such as refuse disposal goes in to liquidation	2	3	6	Company likely to be taken over rather than close. Major contracts have guarantee provisions and step in rights. In house team able to take on management in an emergency	TP	2	2	4

	<b>RISK</b>	<b>Likelihood</b>	<b>Impact</b>	<b>Initial Rating</b>	<b>Mitigation</b>	<b>Ownership</b>	<b>Revised Likelihood</b>	<b>Revised Impact</b>	<b>Revised Rating</b>
5.	<b>Major Incident</b> Major incident may directly or indirectly affect the Council's ability to deliver services	1	4	4	All services have up to date emergency plans and exercises are held regularly to test preparedness. Have mutual aid arrangements in place with other Surrey authorities	TP	1	3	3
6.	<b>Treasury and Property Investment</b> Volatility in investment values and income driven by market forces. Adverse movements in interest rates leading to financial pressure	2	4	8	Investments only made on advice of professional advisors and after due diligence. Properties are professionally managed to maintain income. Investments are diversified and held for longer term. Future interest rate fixed for proportion of debt to bring certainty of cost.	KW	2	3	3
7.	<b>Contaminated Land</b> Contamination leads to environmental damage that then needs to be cleaned up	2	3	6	Detailed surveys undertaken with monitoring put in place as required	TP	1	3	3
Page 60	<b>Major Enforcement Actions</b> Breaches of planning regulations leads to reputational and environmental damage	3	2	6	Action taken to address breaches to minimise risks	JR	2	2	4

#### Key to initials

KW – Karen Whelan – Chief Executive

RP – Richard Payne – Executive Head of Corporate;

KM – Kelvin Menon – Executive Head of Finance

TP – Tim Pashen - Executive Head of Community;

KL – Karen Limmer – Head of Legal Services

LL – Louise Livingston – Executive Head of Transformation

JR – Jenny Rickard – Executive Head of Regulatory



**Committee Work Programme 2017/18**

Portfolio	Corporate
Ward(s) Affected:	n/a

**Purpose**

**To consider the Committee work programme for the 2018/19 municipal year.**

Background

1. The Performance and Finance Scrutiny Committee was appointed by the Council at its Annual Meeting on 17 May 2017 and it is anticipated that it will be re-appointed for 2018/19.
2. The Constitution, at Part 4, Section C paragraph 6 requires the Committee to develop a work programme. This will normally be set at the last meeting of a municipal year, for the subsequent municipal year.
3. The Committee is scheduled to meet on the following days in 2018/19:
  - 4 July 2018
  - 4 September 2018
  - 5 December 2018
  - 20 March 2018
4. The work programme is developed through the year, to meet new demands and changing circumstances and the Committee will be expected to review its work programme from time to time and make minor amendments as required.
5. One of the tasks given to the Committee is to carry out pieces of work requested by the Council and/or the Executive.
6. The Committee agreed on 6 July 2016 (minute 9/PF refers) that reports at each meeting would, where possible, be themed to the areas covered by the Portfolio Holder attending that meeting.

Proposal

7. It is proposed that Members consider a work programme for the 2018/19 municipal year

Resource Implications

8. Subject to any decisions relating the work programme, there are no resource implications which have not already been factored in, with those mainly involving officer time.

Recommendation

9. The Scrutiny Committee is advised to consider a work programme for the 2018/19 municipal year.

Background Papers: None

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**PERFORMANCE AND FINANCE SCRUTINY COMMITTEE –  
WORK PROGRAMME 2018-19**

<b>Date</b>	<b>Topic</b>	<b>Report Author</b>
<b>4 July 2018</b>		
1.	Performance Report 2017/18	Louise Livingston
2.	End of Year Finance Report	Kelvin Menon
3.	Scrutiny of Portfolio Holders – Special Projects	TBC
4.	Task and Finish Groups	Rachel Whillis
5.	Committee Work Programme	Rachel Whillis
<b>4 September 2018</b>		
1.	Scrutiny of Portfolio Holders - Business/Corporate	Daniel Harrison/ Richard Payne
2.	Review of Reserves and Provisions	Kelvin Menon
3.	Annual Report on Treasury Management	Kelvin Menon
4.	Task and Finish Groups	Rachel Whillis
5.	Committee Work Programme	Rachel Whillis
<b>5 December 2018</b>		
1.	Scrutiny of Portfolio Holders - Finance/ Transformation	Kelvin Menon/ Louise Livingston
2.	Half Year Treasury Management Report	Kelvin Menon
3.	Half Year Finance Report	Kelvin Menon
4.	Update on Investment Properties	Karen Limmer/ Paul Ramshaw
5.	Task and Finish Groups	Rachel Whillis
6.	Committee Work Programme	Rachel Whillis
<b>20 March 2019</b>		
1.	Scrutiny of Portfolio Holders – Regulatory/Community	Jenny Rickard/ Tim Pashen
2.	3 <sup>rd</sup> Quarter Finance Report	Kelvin Menon
3.	Corporate Risk	Kelvin Menon
4.	Task and Finish Groups	Rachel Whillis
5.	Committee Work Programme	Rachel Whillis

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